

ENGINEER'S REPORT

Prepared for the

CITY OF SAN DIEGO

**Newport Avenue
Maintenance Assessment District**

Fiscal Year 2003

under the provisions of the

**San Diego Maintenance Assessment District Ordinance
of the San Diego Municipal Code**

and

**Landscape and Lighting Act of 1972
of the California Streets and Highways Code**

Prepared by

**BOYLE ENGINEERING CORPORATION
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May 2002

CITY OF SAN DIEGO

Mayor

Dick Murphy

City Council Members

Scott Peters

District 1

Brian Maienschein

District 5

Byron Wear

District 2

Donna Frye

District 6

Toni Atkins

District 3

Jim Madaffer

District 7

George Stevens

District 4

Ralph Inzunza, Jr.

District 8

City Manager

Michael T. Uberuaga

City Attorney

Casey Gwinn

City Clerk

Charles G. Abdelnour

City Engineer

Frank Belock

Assessment Engineer

Boyle Engineering Corporation

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Engineer's Report Newport Avenue Maintenance Assessment District

Preamble

Pursuant to the provisions of the "San Diego Maintenance Assessment District Procedural Ordinance" (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the "Landscape and Lighting Act of 1972" (being Part 2 of Division 15 of the California Streets and Highways Code), applicable provisions of "Proposition 218" (being Article XIID of the California Constitution), and provisions of the "Proposition 218 Omnibus Implementation Act" (being California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as "Assessment Law"), in connection with the proceedings for the NEWPORT AVENUE MAINTENANCE ASSESSMENT DISTRICT (hereinafter referred to as "District"), BOYLE ENGINEERING CORPORATION, as Assessment Engineer to the City of San Diego for these proceedings, submits herewith this report for the District as required by California Streets and Highways Code Section 22565.

FINAL APPROVAL, BY RESOLUTION NO. _____ ,
ADOPTED BY THE CITY COUNCIL OF THE CITY OF SAN
DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, ON THE
_____ DAY OF _____, 2002.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

Executive Summary

Project: Newport Avenue
Landscape Maintenance District

Apportionment Method: Linear frontage foot (LFF)

	<u>FY 2002</u>	<u>FY 2003</u> ⁽¹⁾	Maximum ⁽²⁾ <u>Authorized</u>
Total Parcels Assessed:	73	73	--
Total Estimated Assessment:	\$38,020	\$39,380	--
Total Number of LFF:	3,580	3,580	--
Assessment per LFF:	\$10.62	\$11.00 ⁽³⁾	\$11.00 ⁽³⁾

⁽¹⁾ FY 2003 is the City's Fiscal Year 2003, which begins July 1, 2002 and ends June 30, 2003. Total Parcels Assessed may vary from prior fiscal year due to parcel changes despite no net reduction in Total Number of LFF.

⁽²⁾ Maximum Authorized annual amounts subject to cost indexing provisions as set forth in this Engineer's Report.

⁽³⁾ Fiscal Year 2002 maximum authorized annual assessment increased by cost indexing factor of 3.58%.

Proposition 218 Compliance: The District was re-engineered in Fiscal Year 1998 for compliance with Proposition 218. By a ballot proceeding, majority property owners (58.52% of the weighted vote) approved Fiscal Year 1998 assessments, maximum authorized assessments for subsequent years, and provisions for annual cost indexing.

Annual Cost Indexing: An increase of assessments, under authority of annual cost indexing provisions, is required for Fiscal Year 2003.

Bonds: No bonds will be issued in connection with this District.

Background

Following a majority owner petition pursuant to the Landscape and Lighting Act of 1972, the City of San Diego (City) initiated proceedings and formed the Newport Avenue Maintenance Assessment District (District) by resolution number R-273973 on July 11, 1989. The improvements comprising the District, made in accordance with the San Diego Maintenance Assessment District Ordinance, consist of: (1) maintaining areas adjacent to the street rights-of-way, which are landscaped with ground cover, trees and shrubs; (2) maintaining sidewalks, planter landscaping, and street gutters; (3) one extra day per week of trash pick-up; and (4) three extra days per month of gutter sweeping. The purpose of the District was, and still is, to provide for the maintenance of these improvements.

The District was re-engineered in Fiscal Year 1998 for compliance with Proposition 218. By a mail ballot proceeding, property owners approved the re-engineering with 58.52% of weighted votes supporting the proposed assessments. Over 62.8% of property owners responded to the mail ballot.

The Engineer's Report, preliminarily accepted by Resolution Number R-289115 in August 1997, proposed Fiscal Year 1998 assessments, maximum authorized assessments for subsequent years, and provisions for annual cost indexing of the maximum authorized assessments. The Engineer's Report was approved and assessments confirmed by Resolution Number R-289387.

On December 11, 1999, the Ocean Beach Main Street Association (Association) took over administration of the District's maintenance services for the remainder of FY 2000. The City will continue this arrangement on an annual basis by renewing an agreement with the Association.

District Proceedings for Fiscal Year 2003

This District is authorized and administered under the provisions of the "San Diego Maintenance Assessment District Ordinance" (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the "Landscape and Lighting Act of 1972" (being Part 2 of Division 15 of the California Streets and Highways Code),

applicable provisions of “Proposition 218” (being Article XIII D of the California Constitution), and provisions of the “Proposition 218 Omnibus Implementation Act” (being California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as “Assessment Law”). This report has been prepared in compliance with Assessment Law.

The Fiscal Year 2003 assessments proposed within this Engineer’s Report represent a 3.58% increase over the previous year’s assessments. This increase is under the authority of annual cost indexing provisions approved by property owners. Therefore, the vote requirements of Section 4 of Article XIII D do not apply to these proceedings.

A public hearing will be scheduled where public testimony will be heard by the Council, and the Council may, at its discretion, adopt a resolution ordering the levying of the proposed assessments.

Bond Declaration

No bonds will be issued in connection with this District.

District Boundary

The Boundary Map and Assessment Diagram for the Newport Avenue Maintenance Assessment District are on file in the Maintenance Assessment Districts Section of the Park and Recreation Department of the City of San Diego and by reference are made a part of this report. A reduced copy of the Boundary Map is shown in Exhibit A.

Project Description

The project to be funded by the proposed assessments is the maintenance of approximately 60,509 square feet of landscaped right-of-way, 57,888 square feet of sidewalk, 2,621 square feet of landscaping, 4,588 linear feet of gutters, and various street right-of-way areas. The location of the improvements being maintained by the District are depicted in Exhibit A. Maintenance activities include, but are not limited to, irrigation, collection and disposal of fallen branches and trees, tree and bush trimming, fertilizing, weeding, sidewalk and gutter cleaning, extra trash pick up, and ongoing inspection and repairs.

The engineering drawings for the improvements maintained by the District are on file at Map Records in the City Engineer's office and are incorporated herein. The specifications for the maintenance to be performed is contained in a City contract with the Ocean Beach Main Street Association which is incorporated herein by reference. These documents are on file with the City Clerk and the Park and Recreation Department and are available for public inspection during normal business hours.

Separation of General and Special Benefits

Consistent with City policy for the public at large, the City will provide the District with annual contributions from the Gas Tax Fund for median maintenance (~~18.0¢~~ per square foot of landscaped median and ~~1.3¢~~ per square foot of hardscaped median) and from the Environmental Growth Fund for open space maintenance (~~\$26.63~~ per acre). These allocations are considered to be a "general benefit" administered by the District. All other maintenance, operation, and administrative costs which exceed the City's contribution to the public at large are "special benefits" funded by the District.

The standard level of service provided by the City is trash pickup twice per week and gutter sweeping once per month. This level of service is provided from the general fund as general benefit. The District, funded as "special benefits," provides two additional trash pickups per week and gutter sweeping three additional times per month.

Cost Estimate

Estimated Costs

Estimated Fiscal Year ~~2003~~ annual expenses, revenues, reserves, and assessments (provided by the City) are included as Exhibit B hereto.

Annual Cost Indexing

With the passage of Proposition 218, any proposed increase in assessments must be placed for approval before the property owners by a mail ballot and a public hearing process, similar to these proceedings. A majority of ballots received must be affirmative for the City Council to confirm and levy

the increased assessments. For small assessment districts or districts with relatively low dollar assessments, the cost of an engineer's report, balloting, and the public hearing process can potentially exceed the total cost of the increase. These incidental costs of the proceedings can be added to the assessments, resulting in even higher assessments.

Indexing assessments annually to the San Diego Consumer Price Index for Urban Consumers (SDCPI-U), as approved by the District property owners in Fiscal Year 1998, allows for minor increases for normal maintenance and operating cost escalation without incurring the costs of the Proposition 218 ballot proceedings. Any significant change in the assessment initiated by an increase in service provided or other significant changes to the District would still require the Proposition 218 proceedings and property owner approval.

The maximum authorized assessment established in the Fiscal Year 1998 proceedings are authorized to be indexed (increased or decreased) annually by the factor published in the SDCPI-U. Fiscal Year 1999 was the first year authorized for such indexing. It has been determined that an increase of assessments, as authorized by the cost indexing provisions, is required for Fiscal Year 2003.

Method of Apportionment

Estimated Benefit of Improvements

All benefits assessed to the District are special to this District and are distinct from other parcels in the level of service received from the City of San Diego.

The maintenance of areas adjacent to the street right-of-way, benefit the parcel by: enhancing the visual aesthetics of the commercial business district, establishing a continuity of commercial business district appearance, increasing land and business values, and creating a sense of community identity and pride.

Apportionment Methodology

It is estimated that the benefit received by each parcel is directly proportional to the linear footage of each parcel fronting the improvements.

The total linear footage for all the parcels for the District fronting on Newport Avenue has been divided into the estimated cost for the District to determine the assessment per linear front foot for the parcel located within the District.

Summary Results

The Boundary Map for the District is shown in Exhibit A.

An estimate of the maintenance costs associated with District improvements is shown in Exhibit B.

The assessment methodology utilized is as described in the text of this report. Based on this methodology, the unit cost per linear frontage foot (LFF) and Fiscal Year 2003 District assessment for each parcel were calculated and are shown in the Assessment Roll (Exhibit C).

Each lot or parcel of land within the District has been identified by unique County Assessor's Parcel Number on the Assessment Roll and the Boundary Map and Assessment Diagram referenced herein. The net assessment for each parcel for Fiscal Year 2003 can be found on the Assessment Roll.

This report has been prepared and respectfully submitted by:

BOYLE ENGINEERING CORPORATION

Eugene F. Shank, PE C 52792

David R. Spencer, EIT CA 109078

I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the Assessment as shown on the Assessment Roll, together with the Assessment Diagram, both of which are incorporated into this report, were filed in my office on the ____ day of _____, 2002.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

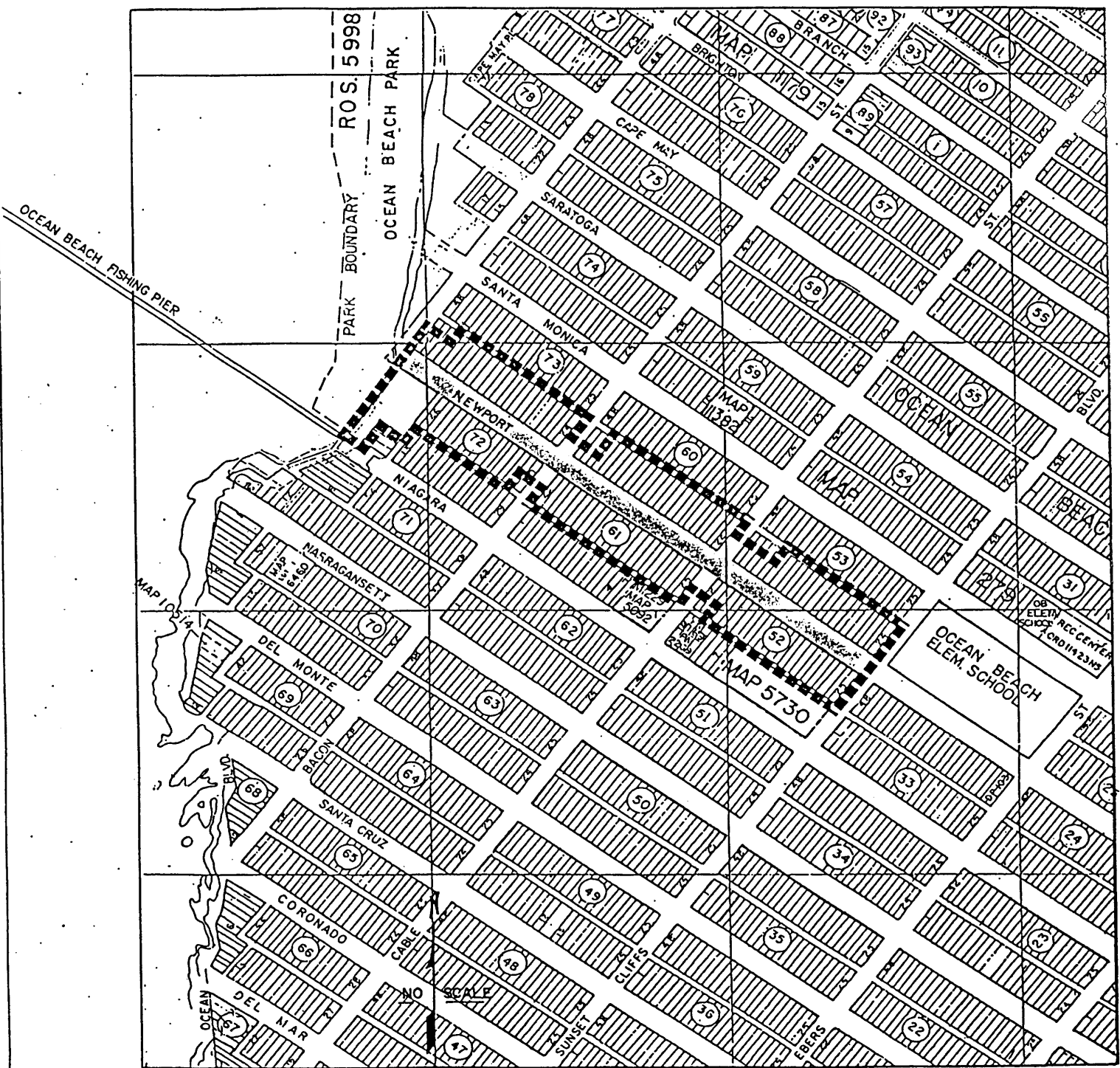
I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the assessment diagram incorporated into this report, was approved and confirmed by the CITY COUNCIL of said City on the ____ day of _____, 2002.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

I, _____, as SUPERINTENDENT OF STREETS of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the assessment diagram was recorded in my office on the ____ day of _____, 2002.

SUPERINTENDENT OF STREETS
CITY OF SAN DIEGO
STATE OF CALIFORNIA

EXHIBIT A



ASSESSMENT DISTRICT BOUNDARY ■■■■■■
LOCATION OF IMPROVEMENTS ■■■■■■

- Notes:
1. Each lot or parcel has been identified by the County Assessor's Parcel Number on this map and the Assessment Roll contained in the Engineer's Report.
 2. For a detailed description of the lines and dimensions of lots or parcels shown on this Assessment Diagram, refer to the County Assessor's Maps which shall govern with respect to all details concerning the lines and dimensions of such lots or parcels.

CITY OF SAN DIEGO

W.O. 133262

DATE: 1989

NEWPORT AVENUE

LANDSCAPE MAINTENANCE DISTRICT

NEWPORT AVENUE Maintenance Assessment District

EXHIBIT A

EXHIBIT B

EXHIBIT B - Estimated Annual Expenses, Revenues & Reserves
Newport Avenue Maintenance Assessment District

DESCRIPTION	FUND		FY 2003 ⁽¹⁾
	OPERATIONS	RESERVE	TOTAL
BEGINNING FUND BALANCE	\$0.00	\$5,434.00	\$5,434.00
REVENUE:			
District Assessments	\$39,380.00	\$0.00	\$39,380.00
Interest	\$0.00	\$400.00	\$400.00
City Contribution:			
Environmental Growth Fund	\$0.00	\$0.00	\$0.00
Gas Tax Fund	\$0.00	\$0.00	\$0.00
TOTAL REVENUE	\$39,380.00	\$400.00	\$39,780.00
TRANSFER FROM RESERVE	\$3,020.00	(\$3,020.00)	\$0.00
TOTAL CASH AVAILABLE	\$42,400.00	\$2,814.00	\$45,214.00
EXPENSE:			
Personnel	\$0.00	\$0.00	\$0.00
Contractual	\$31,000.00	\$0.00	\$31,000.00
Incidental	\$5,000.00	\$0.00	\$5,000.00
Utilities	\$6,400.00	\$0.00	\$6,400.00
TOTAL EXPENSE	\$42,400.00	\$0.00	\$42,400.00
ENDING FUND BALANCE	\$0.00	\$2,814.00	\$2,814.00

⁽¹⁾ FY 2003 is the City's Fiscal Year 2003, which begins July 1, 2002 and ends June 30, 2003.

EXHIBIT C

ENGINEER'S REPORT ASSESSMENT ROLL

The undersigned, pursuant to the "Maintenance Assessment Districts Ordinance" (Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), the "Landscape and Lighting Act of 1972" (Part 2, Division 15 of the California Streets and Highways Code), applicable provisions of "Proposition 218" (Article XIII D of the California Constitution), and the "Proposition 218 Omnibus Implementation Act" (California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as "Assessment Law"), does hereby submit the following:

1. Pursuant to the provisions of Assessment Law and the Resolution of Intention, we have assessed the costs and expenses of the works of improvement (maintenance) to be performed in the Assessment District upon the parcels of land in the Assessment District benefited thereby in direct proportion and relation to the estimated benefits to be received by each of said parcels. For particulars as to the identification of said parcels, reference is made to the Assessment Diagram and Boundary Map on file in the Maintenance Assessment Districts section of the Park and Recreation Department of the City of San Diego. A copy of the Boundary Map is included in the Engineer's Report as Exhibit A.
2. The Assessment Diagram included in this report shows the Assessment District, as well as the boundaries and dimensions of the respective parcels and subdivisions of land within the Assessment District, the same as existed at the time of the passage of the Resolution of Intention, each of which subdivisions of land or parcels or lots respectively have been given a separate number upon the Assessment Diagram and in the Assessment Roll (Exhibit C).
3. By virtue of the authority contained in said Assessment Law, and by further direction and order of the legislative body, we hereby make the following assessment to cover the costs and expenses of the works of improvement (maintenance) for the Assessment District based on the costs and expenses as set forth in the Engineer's Report.

For particulars as to the individual assessments and their descriptions, reference is made to the Assessment Roll (Exhibit C) attached hereto.

DATED: _____, 2002 BOYLE ENGINEERING CORPORATION

By: _____
Eugene F. Shank, PE C 52792

By: _____
David R. Spencer, EIT CA 109078